

The Hotel Operators' Occupation Tax Act does not include any provision for the exemption of exclusively charitable, religious, or educational organizations, or for governments or their agencies. See 86 Ill. Adm. Code 480.101(b)(3). (This is a GIL.)

March 23, 1999

Dear Mr. Xxxxx:

This letter is in response to your letter we received December 2, 1998. The nature of your letter and the information you have provided require that we respond with a General Information Letter which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

Please send us more information concerning Diplomatic Tax Exemption Program and tax exemption cards to the attention of:

The Hotel Operators' Occupation Tax Act imposes a tax upon persons engaged in the business of renting, leasing or letting rooms in a hotel. See 86 Ill. Adm. Code 480.101, enclosed. It is not a tax imposed upon those persons renting the rooms. It is imposed, rather, upon the hotel operator. However, hotel operators are allowed to reimburse themselves for their tax liability by collecting a corresponding amount of reimbursement from customers.

Although the Hotel Operators' Occupation Tax Act does not include any provision for the exemption of rentals to governments or their agencies, Section 480.101(b)(3), there is a limited exemption available to hotel operators for rentals to certain diplomatic personnel. The exemption for rentals to certain diplomatic personnel applies only to diplomatic personnel possessing certain types of diplomatic tax exemption cards, issued by the U.S. Department of State, Office of Foreign Missions. Please see the enclosed copy of Informational Bulletin FY 98-27. As explained in the bulletin, cards with blue stripes confer an exemption from hotel taxes. Cards with other color stripes, however, contain different levels of exemption (e.g., not exempt for purchases under \$200 and hotel taxes), so you must carefully check these types of cards.

I hope this information is helpful. The Department of Revenue maintains a Web site which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us). If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

ST 99-0107-GIL

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Karl Betz  
Associate Counsel

KB:msk  
Enc.